

Regulation on a new European Union Programme for Social Change and Innovation – Citizens' Summary

EU proposal

WHAT'S THE ISSUE?

- A need for innovative solutions for developing and implementing adequate and effective reforms of social protection systems and labour markets so as to tackle demographic ageing, high unemployment rate, poverty and social exclusion.
- A need for better implementation of EU law so as to improve working conditions, reduce the incidence of work-related accidents and illnesses, ensure gender and age equality at the workplace as well as tackle new and emerging risks in occupational safety and health.
- Limited geographic mobility in Europe and insufficient support for matching job-seekers with job offers.
- Poor access to finance and micro-credit for social enterprises and unemployed people, people at a risk of losing their jobs and people from disadvantaged groups, for instance young or older people or migrants.

WHO WILL BENEFIT AND HOW?

- Member States' authorities (at national, regional and local level) and other interested parties (social partners and civil society organisations) will be better supported in their efforts to elaborate and implement effective policy reform in the employment and social areas. In particular, they will benefit from EU-wide reliable data and statistics, best practice and financial support to test and scale up innovative solutions for reforming labour market and social protection systems.
- Member States' will be better assisted in transposing and applying EU law effectively through guidance and trainings.
- Workers and employers as well as any citizen wishing to benefit from the principle of the free movement of persons will benefit from more employment opportunities abroad. EURES will provide assistance on the ground, including financial support, to help young people to find job opportunities abroad. The Commission will encourage SMEs, the largest group of employers in the EU, to offer young people work.
- People who want to become self-employed or set up or develop their own business and face difficulties in securing a traditional bank loan, i.e. unemployed people, people at a risk of losing their jobs and people from disadvantaged groups, for instance young or older people or migrants. These people need better access to microcredit, i.e. loans of less than EUR 25 000.
- Social enterprises will benefit from easier access to funding for development, consolidation and scaling of operations.

WHY DOES ACTION HAVE TO BE TAKEN BY THE EU?

- The EU action adds value to action at national level by providing a Europe-wide dimension to the collection and comparing of evidence, the development of statistical tools and common indicators in order to build up a complete picture of the employment and social situation.
- The EU is uniquely placed to provide a European platform for exchange of innovative practice and mutual learning in the employment and social area that involves the Member States. Knowledge of the policies carried out in other countries increases the range of options

available to policy-makers, triggers innovative policy developments and encourages national reform.

- The EU has an important role to play in ensuring that the EU legislation is adapted to evolving work patterns and new health and safety risks and in financing measures to improve compliance with EU rules on the protection of workers' rights. The EU is also in the best position to finance measures to improve compliance with EU rules and to systematically review the application of EU legislation in all Member States.
- Greater European labour market mobility is essential for the completion of an area without internal frontiers and for the strengthening of economic and social cohesion and active European citizenship. The EU institutions, and in particular the Commission, which has the administrative resources, expertise and capability to coordinate a transnational network such as EURES, should therefore support and facilitate action to bolster geographical labour mobility.
- Stepping up the availability of microcredit is best achieved at European level. The Commission, in cooperation with the European Investment Fund, can now build on experience with the current European Progress Microfinance Facility. Microfinance institutions in all Member States can now take advantage of this expertise without their national, regional or local authorities needing to use their resources to put similar systems in place.
- The new instrument facilitating access to finance for social enterprise will have a multiplier effect as it will pave the way for enhanced public and private action at national and regional levels in the years to come. It is expected that the EU level instrument will stimulate the creation of more social enterprises and facilitate the exploitation of growth opportunities for existing ones; facilitate mutual learning across national borders, and to contribute to building sustainable and professional capacities for social impact investments across the EU.
- If financial resources are pooled at European level, additional funding is more likely to be attracted from third-party investors such as the European Investment Bank.

WHAT EXACTLY WILL CHANGE?

- Member States will be in better position to reform their pension systems, reduce poverty and health inequalities, raise employment rate in particular for the low-skilled, older workers, migrants and people with disabilities.
- European citizens will benefit from equal protection in the workplace, particularly in sectors considered to be at risk and for categories of workers who are most vulnerable (young people, workers on fixed-term contracts, low-skilled workers, migrants, etc.)
- Thanks to the new programme, the EU Member States and citizens will benefit from greater intra-EU labour market mobility, which could help fill bottleneck or hard-to-fill vacancies and thus bolster economic activity and contribute to economic growth.
- The access to microcredit will be easier for unemployed people, people at a risk of losing their jobs and people from disadvantaged groups, for instance young or older people or migrants. Self-employment and business development will thus be boosted and will in turn be important sources of growth and job creation.

WHEN IS THE PROPOSAL LIKELY TO COME INTO EFFECT?

- On 1st of January 2014

Data for search engines	
Title tag	EU XXXXXXXX proposal - citizens' summary
Description	European Commission XXXXXXXX proposal establishes a new programme to financially

	support : <ul style="list-style-type: none">- the development and implementation of policy reform in the employment and social areas;- geographical mobility of workers- easier access to microcredit for vulnerable groups and social enterprises.
Link name	Summary - EU XXXXXX proposal
Keywords for url/filename	EU + social innovation + social experimentation + EURES + working abroad + microcredit